R25-__ RESOLUTION FOR THE TOWN OF ENFIELD TO OPPOSE THE REMOVAL OF TAX-EXEMPT STATUS OF MUNICIPAL BONDS

WHEREAS, an advisor to President Trump recently floated the idea of taxing municipal bonds; and

WHEREAS, infrastructure needs of the country include maintaining roads, utilities, water and sewer systems, and public buildings; and

WHEREAS, said infrastructure is typically financed through tax-exempt municipal bonds; and

WHEREAS, the tax-exempt yields at which these municipalities borrow are typically lower than comparably rated corporate bonds and US Treasuries; and

WHEREAS, according to the Public Finance Network, an organization formed to preserve the tax-exemption of municipal bonds, estimates that the elimination of the municipal bond tax-exemption would result in more than $800 billion in higher interest costs for issuing municipalities over the next 10 years; and

WHEREAS, higher financing costs to back such projects will mostly fall to a municipality's constituents, who are servicing the debt as part of their tax payments; and

WHEREAS, the Town of Enfield plans on issuing bonds that would be negatively affected by the removal of tax-exempt status; now, therefore, be it

RESOLVED, that the Town of Enfield strongly opposes the removal of tax-exempt status to municipal bonds; and be it further

RESOLVED, that as elected officials, we implore our federal and state representatives to take any and all appropriate legal actions to ensure that all municipal bonds continue to enjoy their tax-exempt status, and be it further

RESOLVED, that as elected officials we ask the Town Supervisor to send this resolution to President Trump, Senator Schumer, Senator Gillibrand, Representative Riley, Governor Hochul, Senator Webb, and Assemblymember Kelles.